

Cooperative Agreement

Applies to:

All grants and cooperative agreements

Definition

A financial assistance award instrument used by awarding agencies when the relationship with the recipient has as its principle purpose the transfer of a thing of value to the recipient in order to carry out a public purpose of support or stimulation authorized by a law of the United States, **and substantial involvement** is expected.[1][2] The legal document used in awarding a cooperative agreement is the [Notice of Award](#).[3]

Department Policy

Selecting the Cooperative Agreement as the proper award instrument

The basic criterion for selecting a cooperative agreement is that **substantial involvement** is expected between the bureau or office and the recipient when carrying out the activity contemplated in the agreement.[4]

Program offices may consider a variety of factors when determining the use of a cooperative agreement, including a recipient's ability to properly manage the funded activity (to include financial capacity and technical need). Federal involvement in cooperative agreements will be limited to the minimum required consistent with program requirements. Nothing in the Act should be construed as allowing the Government to increase its involvement beyond that which is authorized by applicable laws and OMB requirements [5]

Cooperative Agreement Structure and Contents

The agreement is structured in a manner which: [6]

1. Adequately describes the relationship based upon the degree of involvement of the parties; and
2. Defines and allocates respective responsibilities, obligations, rights, and accountability as appropriate to the particular project. Requirements contained in statutes and implementing regulations will govern.

The agreement sets forth the respective rights and obligations of both the program office and cooperator in such areas as [7]

- Project performance and management.
- Partial or total termination of work.
- Changes in the scope of work.
- Period of performance.
- Application of funding and resources.
- Title to property.
- Records maintenance and access.
- Liability.
- etc.

Service Policy

For cooperative agreements, programs must include a detailed description of the expected Service involvement in the project activities in both the funding opportunity description and the Notice of Award letter.

[1] Federal Grant and Cooperative Agreement Act of 1977, as incorporated in 31 USC § 6305 (cited online at <http://www.law.cornell.edu/uscode/text/31/6305>)

[2] 505 DM 2.6 C.

[3] *ibid*, 2.10 B.

[4] *ibid.*, 2.9 B.

[5] 505 DM 2.9 B. (5), (6)

[6] *ibid.*, 2.10 A.

[7] *ibid.*, B.